

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 8/9/2012

Action Requested By:
Legal

Agenda Item Type
Resolution

Subject Matter:

Invoking letter of credit.

Exact Wording for the Agenda:

Resolution authorizing the Clerk-Treasurer to Invoke First Commercial Bank Letter of Credit No. 983 for Hawks Ridge 2nd Addition Subdivision.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: 8-6-12

RESOLUTION NO. 12-_____

WHEREAS, First Commercial Bank issued a certain letter of credit (No.983), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

WHEREAS, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to First Commercial Bank Letter of Credit No. 983, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

ADOPTED this the 8th day of August, 2012.

President of the City Council
of the City of Huntsville,
Alabama

APPROVED this the 8th day of August, 2012.

Mayor of the City of
Huntsville, Alabama

Hanks Ridge 2nd Side



PO Box 040002
Huntsville, AL 35804
Phone 256-551-3300
www.fcb-hsv.com

AMENDMENT THREE TO IRREVOCABLE LETTER OF CREDIT

5/14/11

LETTER OF CREDIT NO.: #983
DATE OF AMENDMENT: August 15, 2011
AMENDMENT NUMBER: 03

BENEFICIARY

City of Huntsville, Alabama
Clerk-Treasurer Office
P.O. Box 308
Huntsville, AL 35804

CUSTOMER:

Reserve Development Group, LLC
406 St. Charles St.
Birmingham, AL 35209

Madam/Sir:

Upon the request of the Customer and with your approval, on August 15, 2011, Synovus Bank, formerly known as Columbus Bank and Trust Company, as successor in interest through name change and by merger with First Commercial Bank ("Lender") hereby amends its Irrevocable Letter of Credit No. #983 dated August 15, 2007 ("Letter of Credit"), of which you are the Beneficiary in the following respect:

- Extend the Maturity date to August 15, 2012

This Amendment shall be deemed a part of the Letter of Credit and should be attached thereto. If the terms of the Letter of Credit require presentation thereof to Lender, as a condition to making a draw thereunder, this Amendment also must be presented.

Except to the extent specifically amended hereby, all other terms, provisions and conditions of the Letter of Credit shall remain unchanged and in full force and effect.

First Commercial Bank, A Division of Synovus Bank
256-551-3300

W. Leigh Pegues

Its: Executive Vice President

OK
CEH
8/19/11

8-19-11

On KCA 8/19/11

HAWK'S RIDGE Second
ADDITION SIDEWALK

P.O. Box 040002
Huntsville, Alabama 35804
256/551-3300

S/W
ART

AMENDMENT TWO TO IRREVOCABLE LETTER OF CREDIT



LETTER OF CREDIT NO.: #983
DATE OF AMENDMENT: August 13, 2010
AMENDMENT NUMBER: 02

BENEFICIARY

City of Huntsville, Alabama
Clerk-Treasurer Office
P.O. Box 308
Huntsville, AL 35804

CUSTOMER:

Reserve Development Group, LLC
406 St. Charles St.
Birmingham, AL 35209

Madam/Sir:

Upon the request of the Customer and with your approval, on August 13, 2010, Synovus Bank, formerly known as Columbus Bank and Trust Company, as successor in interest through name change and by merger with First Commercial Bank ("Lender") hereby amends its Irrevocable Letter of Credit No. #983 dated August 15, 2007 ("Letter of Credit"), of which you are the Beneficiary in the following respect:

- Extend the Maturity date to August 15, 2011

This Amendment shall be deemed a part of the Letter of Credit and should be attached thereto. If the terms of the Letter of Credit require presentation thereof to Lender, as a condition to making a draw thereunder, this Amendment also must be presented.

Except to the extent specifically amended hereby, all other terms, provisions and conditions of the Letter of Credit shall remain unchanged and in full force and effect.

First Commercial Bank, A Division of Synovus Bank
256-551-3300

W. Leigh Pegues

Its: Executive Vice President

OK
CE/X
8/18/10

OK MC 8/13/10

11

OK KCA

P.O. Box 040002
Huntsville, Alabama 35804
256/551-3300

Hawk's Ridge
2nd Sidewalks

su
at

First Commercial Bank

AMENDMENT ONE TO IRREVOCABLE LETTER OF CREDIT

LETTER OF CREDIT NO.: #983
DATE OF AMENDMENT: August 14, 2009
AMENDMENT NUMBER: 01

BENEFICIARY

City of Huntsville, Alabama
Clerk-Treasurer Office
P.O. Box 308
Huntsville, AL 35804

CUSTOMER:

Reserve Development Group, LLC
406 St. Charles St.
Birmingham, AL 35209

Madam/Sir:

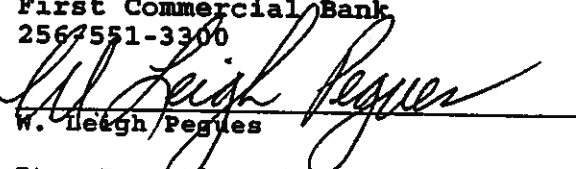
Upon the request of the Customer and with your approval, on August 14, 2009, First Commercial Bank ("Lender") hereby amends its Irrevocable Letter of Credit No. #983 dated August 15, 2007 ("Letter of Credit"), of which you are the Beneficiary in the following respect:

- Extend the Maturity date to August 15, 2010

This Amendment shall be deemed a part of the Letter of Credit and should be attached thereto. If the terms of the Letter of Credit require presentation thereof to Lender, as a condition to making a draw thereunder, this Amendment also must be presented.

Except to the extent specifically amended hereby, all other terms, provisions and conditions of the Letter of Credit shall remain unchanged and in full force and effect.

First Commercial Bank
256-551-3300


W. Leigh Pegues

Its: Executive Vice President

OK
CEI
8/19/09

OK MC ok Imp ok ket
8/19/09

P.O. Box 040002
Huntsville, Alabama 35804
256/551-3300

August 15, 2007



IRREVOCABLE LETTER OF CREDIT

Beneficiary:

City of Huntsville, Alabama
Clerk-Treasurer Office
P. O. Box 308
Huntsville, AL 35804

Applicant:

Reserve Development Group, LLC
406 St. Charles St
Birmingham, AL 35209

Bank:

First Commercial Bank
301 Washington Street
Huntsville, AL 35801

LOC No: 983

Amt: \$59,595.00

Date: August 15, 2007

Exp: August 15, 2009

Re: Article 5 Sidewalk Letter of Credit for:

HAWKS RIDGE SECOND ADDITION,
A RESUBDIVISION OF TRACT ONE OF HIGH MOUNTAIN ESTATES SEVENTH ADDITION
A RESUBDIVISION OF TRACT 1 OF A RESUBDIVISION OF TRACT 12 OF CHAPMAN COVE AND A
RESUBDIVISION OF LOT A OF SADDLETREE (PB 17 PAGE 100) AND A RESUBDIVISION OF TRACT 11
AND LOT 10 OF HIGH MOUNTAIN ESTATES THIRD ADDITION, A RESUBDIVISION OF TRACT 11
OF CHAPMAN COVE AND A RESUBDIVISION OF TRACT 10 OF HIGH MOUNTAIN ESTATES
SECOND ADDITION, A RESUBDIVISION OF TRACT 10 OF HIGH MOUNTAIN ESTATES AS
RECORDED IN PLAY-BOOK 40 PAGE 89

Gentlemen:

We hereby issue our Irrevocable Standby Letter of Credit in your favor for the account of Reserve Development Group, LLC. effective August 15, 2007 for a sum not to exceed the aggregate of Fifty-Nine Thousand Five Hundred Ninety-Five Dollars and Zero Cents (\$59,595.00) available by your one or more of your drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to First Commercial Bank in Huntsville.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

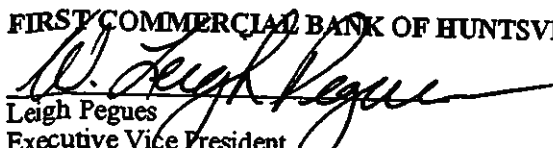
THE ORIGINAL OF THIS LETTER OF CREDIT MUST BE PRESENTED WITH ANY DRAWING.

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and deliver of the documents as specified.

The Letter of Credit shall be governed by the laws of the State of Alabama including but not limited to the Alabama Uniform Code, as the same may be from time to time amended.

This Letter of Credit is subject to the International Standby Practices 1998 (ISP98)

FIRST COMMERCIAL BANK OF HUNTSVILLE


Leigh Pegues
Executive Vice President

OK
CVR
8/23/07